

Members

Tom Reilly, Chairman
Phil Faccenda
Terry White



GOVERNMENT EFFICIENCY COMMISSION SUBCOMMITTEE ON HIGHER EDUCATION

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MEETING MINUTES¹

Meeting Date:	November 5, 2003
Meeting Time:	10:00 A.M.
Meeting Place:	Higher Education, 101 West Ohio, Suite 550
Meeting City:	Indianapolis, Indiana
Meeting Number:	2

Members Present: Tom Reilly, Chairman; Phil Faccenda; Terry White.

Members Absent: None.

I. Call to Order and Attendance: The meeting of the Higher Education Subcommittee was called to order by Chairman Tom Reilly at 10:00 a.m. in the offices of the Indiana Commission for Higher Education, 101 West Ohio, Suite 550, Indianapolis. Members in attendance were Chairman Reilly, Mr. Terry White, and Mr. Phil Faccenda via conference call. Also in attendance were advisory directors Dr. August Watanabe and Dr. Ernest Bartell (Dr. Bartell via conference call). Advisory director Mr. Tim McGinley was unable to attend the morning meeting. Also in attendance were Commissioner for Higher Education Stan Jones, designated staff advisor to the subcommittee, and Kent Weldon, Ken Sauer, and Mike Baumgartner of the CHE staff.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

II. Charge to the Subcommittee: Chairman Reilly began the meeting by clarifying the role of the advisory directors and laying out the mission of the subcommittee. Chairman Reilly identified four areas of study for the subcommittee:

1. Business efficiencies;
2. Equitable treatment of all sectors of public higher education;
3. The benefits derived from the state's investment in higher education; and
4. Higher education's overall performance in providing for the economic development and general welfare of the state.

Chairman Reilly also presented a time budget to the subcommittee, proposing that it allocate its time as follows:

1. 15 percent to studying business efficiencies;
2. 5 percent to studying governance;
3. 60 to 70 percent to the structure of higher education in Indiana, including
 - a. research universities;
 - b. two-year degree production;
 - c. the distribution of students across campuses; and
 - c. the role of doctoral and regional institutions;
4. 10 percent to considering novel concepts.

Chairman Reilly concluded the charge to the subcommittee by noting that the subcommittee should conclude its work by mid-2004 as the leadership of the Efficiency Committee has set a mid-October deadline for the full Commission report.

III. Discussion: Commission for Higher Education staff began the discussion on information prepared at Chairman Reilly's request.

The first topic of discussion was the structure of Indiana's system of public higher education.

Subcommittee members and advisors raised questions about adult enrollment in Indiana public institutions and overall enrollment distribution.

The second topic of discussion was major research universities. Commission staff presented various data comparing such institutions across the country. Dr. Watanabe raised the question of what makes some institutions, such as the University of Michigan and the University of Minnesota, so outstanding. Dr. Bartell suggested that the subcommittee examine private giving and efforts to attract private funds at the universities and made reference to the somewhat lower SAT scores at Indiana's major research universities compared to the nation's top public universities. Chairman Reilly suggested that CHE staff follow up on the discussion by developing additional comparisons between Indiana's major research universities and other top research universities in the country. Dr. Watanabe suggested that the CHE staff look for anomalies at Indiana University and Purdue University compared to other Big 10 universities and similar public research universities.

Dr. Watanabe also requested that CHE staff prepare an executive summary of the data presented in conjunction with the discussion.

The next topic of discussion was two-year colleges. Chairman Reilly asked for a brief report on the management and accomplishments of the Community College of Indiana, which was made by Kent Weldon of the CHE staff.

Mr. Reilly asked the subcommittee to consider the degree to which regional campuses should or do

function as community colleges. Mr. White brought up the topics of transferability between two-year and four-year campuses and admissions requirements to two-year and regional campuses.

Mr. Reilly suggested that the both the research universities and two-year sector should receive a good deal of attention from the subcommittee. Dr. Watanabe speculated that some restructuring could improve both high-end research and adult education.

Mr. White suggested that the subcommittee also attempt to take the perspective of high school seniors and their parents, in particular issues of affordability. Chairman Reilly agreed that it was important that the subcommittee consider that issue in its discussions.

Dr. Watanabe suggested that the subcommittee work closely with institutional trustees.

The subcommittee concluded its discussion by considering two-year sector fees in Indiana and how they might affect participation and workforce development, particularly compared to a state such as California.

IV. Action Plan: Chairman Reilly informed the subcommittee that the Central Indiana Corporate Partnership has agreed to fund an outside consultant to study the structure and efficiencies of Indiana's public higher education system. The consultant will be Dennis Jones of the National Center for Higher Education Management Systems. The Central Indiana Corporate Partnership will make a contribution to the Legislative Services Agency, which will ultimately pay Mr. Jones for his work. The subcommittee agreed to the arrangement with Mr. Jones. Chairman Reilly will work out scheduling arrangements with Mr. Jones.

Chairman Reilly also indicated that he had discussed higher education efficiencies with Mr. Peter Nesson, who is involved in restructuring efforts in Massachusetts. Chairman Reilly proposed inviting Mr. Nesson to a subcommittee meeting to discuss his thoughts on restructuring, and other subcommittee members agreed.

The subcommittee also discussed future meetings, including meetings with institutional presidents and trustees. These will be arranged throughout the winter and spring of 2004.

Mr. White requested information on university budgeting procedures and additional comparative data and ratio analysis. Other members agreed, and suggested additional data including research productivity, patents, licenses, class size, etc.

Commission staff was asked to develop such data in conjunction with Mr. Jones's consulting.

V. Adjournment. The meeting adjourned at approximately 12:40 p.m.